

BILL # SB 1178

SPONSOR: Allen

REQUESTED BY: Senate

TITLE: ~~health care professionals; hospitals~~
NOW: patient safety reporting; nonretaliatory; policies

STATUS: Senate Engrossed

PREPARED BY: Beth Kohler

FISCAL YEAR

2003

2004

2005

EXPENDITURES

General Fund

\$-0-

Potential Impact

FISCAL ANALYSIS

Description

The bill requires health care institutions that are licensed by the Department of Health Service (DHS) to adopt procedures for reviewing reports made by a health professional on activities or practices that the professional reasonably believes both violates professional standards of practice and poses as substantial risk to the health, safety, or welfare of a patient. These procedures must include measures to keep the identity of the health professional confidential. The bill also requires licensed health care institutions to adopt policies to prohibit retaliatory action against health professionals that file the reports described above, or after reasonable opportunity for the institution to address the report, reports the information to be provided to a private health care accreditation organization or governmental entity. The bill does not prohibit the institution from taking action against health professionals for purposes unrelated to the reporting.

Estimated Impact

The JLBC Staff estimates the bill has a potential General Fund impact, as it will generate some additional work for the Assurance and Licensure Division in DHS. However, we are unable to estimate the magnitude of this impact.

DHS estimates that this bill results in no fiscal impact to the department.

Analysis

The provisions of this bill affect health care institutions that are licensed by the Assurance and Licensure Division of the Department of Health Services. As part of the regular inspection and licensure process, DHS will examine whether health care institutions have implemented the provisions of the bill. Based on discussions with DHS, we believe that this will entail simply reviewing the institution's policies to ensure that they comply with the provisions with this bill. Therefore, the additional workload related to verifying whether the institution has developed measures for reviewing reports and nonretaliatory clauses should be minimal and likely could be absorbed by the existing inspectors.

The bill also stipulates that the department is responsible for enforcing the provisions of the bill. However, DHS does not estimate that this will result in workload increases significant enough to necessitate additional spending on enforcement.

Over the past few years, however, DHS has requested additional funding and FTE authority for the Assurance and Licensure Division under the argument that existing staff levels are inadequate to complete complaint investigations and licensure surveys in a timely manner. Although the department did receive \$323,000 from the General Fund in FY 2002 for this issue, DHS requested additional funding for inspectors for FY 2004. The JLBC Staff estimates that, because the department faces complaint investigation and licensure backlogs under its current workload, any increase in workload may lead the department to request additional funding. Therefore, we believe that the provisions of the bill may have a potential fiscal impact. However, because we do not have any reliable method to estimate how many institutions will not comply with the provisions

of the bill, we are not able to estimate the potential increase in workload related to enforcement and any corresponding fiscal impact.

The department estimates no fiscal impact associated with the bill.

Local Government Impact

None

3/25/03